



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

25 SEPTEMBER 2023

Weekly Global Economic Round-up

A MARKET INTELLIGENCE REPORT

Highlights

- The fifth round negotiations on the Indo-Pacific Economic Framework took place in Bangkok from September 10-16 with New Zealand officials in attendance. Though no new agreements were announced, progress was made on the three remaining pillars concerning trade (Pillar I), the clean economy (Pillar III), and the fair economy (Pillar IV). Further negotiation rounds will take place later in the year. Updates, including reports of previous negotiating rounds can be found on the [Ministry of Foreign Affairs and Trade website](#).
- The Organisation for Economic Co-operation and Development (the OECD) released its [Interim Economic Outlook for September](#). The OECD noted that the global economy has proved more resilient than expected in the first half of 2023, but that the growth outlook for 2024 remains weak. Tight monetary policy along with a weaker-than-expected recovery in China means that global gross domestic product is projected to slow to 2.7% in 2024, following 3% growth in 2023. The report also notes that while headline inflation has been declining, core inflation remains persistent with further disruptions to energy and food markets possible.

Regional updates

Global

- [Data from Statistics New Zealand](#) showed that the seasonally adjusted current account deficit narrowed \$1.0 billion to \$6.7 billion, from \$7.7 billion in the March 2023 quarter. The narrowing deficit was driven by the seasonally adjusted goods and services deficit narrowing \$1.9 billion in the June 2023 quarter.
 - The Ministerial Strategic Advisory Group on Trade has released its report on the risks and resilience of New Zealand exporters to sudden and significant loss of market access. The report surveyed 97 New Zealand exporters and found that given high opportunity costs associated with diversification, many firms were not looking to actively diversify from high risk markets – at least unless risks materialised. The report also found that businesses valued the role government played in reducing non-tariff barriers, expanding trade architecture, supporting relationship building and economic diplomacy (including trade missions and market intelligence reporting). Businesses were overwhelmingly concerned about the resilience of domestic infrastructure, logistics and supply chains. You can find the report, [Improving NZ's resilience to trade shocks](#), on MFAT's website.
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Europe

- Despite the European Union's import ban on Ukrainian grain and certain other agricultural products expiring on 15 September, Poland, Slovakia, Hungary and Croatia have independently acted to maintain the ban in order to protect their farmers. Ukraine has indicated that it has initiated action at the World Trade Organisation (WTO), while also pushing for diplomatic solutions bilaterally. Ukraine has succeeded in agreeing a grain licensing arrangement with Slovakia, which will allow Bratislava to withdraw its ban on Ukrainian grain and Kyiv to withdraw its WTO action against Slovakia.
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Asia

- United States Secretary of Commerce Gina Raimondo visited Beijing and Shanghai from 27-30 August, the first visit by a US Commerce Secretary in five years. While in China, she met with Premier Li Qiang, Vice Premier He Lifeng, Minister of Commerce Wang Wentao, Minister of Culture and Tourism Hu Heping and Shanghai Party Secretary Chen Jining. Secretary Raimondo used the visit to reiterate the importance of a stable US-China economic relationship, including a predictable regulatory environment for US businesses operating in China. Raimondo and Wang also announced a new US-China “working group” on commercial issues and a new “information exchange” dialogue. This was the fourth high-ranking US official visit to Beijing this year, following visits by Secretary of State, Antony Blinken; Secretary of Treasury, Janet Yellen; Special Envoy for Climate, John Kerry.
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External links

The following links may provide useful information to businesses:

- [NZTE](#) has a website focused on providing COVID-19 information for exporters. They've also launched [myNZTE](#), an interactive digital portal of insights and tools available to all New Zealand exporters.
- The Treasury releases a [weekly economic update](#) every Friday. Stats NZ has published a [data portal](#) with near real-time economic indicators.
- MBIE publishes a [sector reports series](#) which provides regularly updated reports on all industry sectors that make up the New Zealand economy. These include official economic data and the challenges and opportunities that face New Zealand's industry sectors.
- [Business.govt.nz](#) provides tools and advice from across government to save small businesses' time and help make the business a success.
- MFAT has created a [tariff finder](#) which is designed to help goods exporters and importers maximise benefits from New Zealand's Free Trade Agreements and compare tariffs in 136 other markets.
- The all of government [Trade Barriers](#) website can be used to register any trade barriers experienced or issues exporting to an offshore market. Queries can be sent via the website or through the MFAT Exporter Helpline 0800 824 605. Enquiries will be sent to the government agency best placed to answer.
- Tatauranga Aotearoa Stats NZ provides official data on the value of New Zealand's exports and imports of both goods and services, by commodity type via the [New Zealand Trade Dashboard](#). This interactive dashboard is updated every quarter and allows for filtering by country and by commodity type.

More info

More reports

View full list of market reports from MFAT at www.mfat.govt.nz/market-reports

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